

CONSENT AGENDA ACTION ITEM

Governing Board Agenda

Meeting Date: January 27, 2009

<u>Item Number</u>	<u>Item Title</u>	<u>Responsible Agents</u>
	Renewed Lease of Classroom and Office Space at 145 N. Centennial Way, Mesa	Debra Thompson Dr. Shouan Pan

Recommendation

It is recommended that the Governing Board approve the lease of 145 N. Centennial Way from the City of Mesa. This is a renewal of an existing lease which expired on June 30, 2008. The annual lease payment is \$520,366 plus all appropriate taxes and utilities. Other existing conditions in the lease agreement will remain the same.

Justification

MCC has been leasing space at this location for instructional programs since 1996. This request starts a new lease term effective July 1, 2008 through June 30, 2009. The prior lease has been for the entire floor (37,169 sq. ft.) The renewed lease reflects existing floor space that is currently occupied.

The lease was let expire because the College and City of Mesa have been in negotiation of purchasing the fourth floor property since May, 2008. The original plan was to fold the lease into the final purchase price; however, both parties need additional time to work through the negotiation. This is because a new appraisal ordered by the College yielded a lower sale price and the City administration is re-considering the new offer. In the meantime, the City has requested that the College bring the lapsed rent up to date.

Funding	Approvals/Certifications
<u>Source:</u> MCC <u>Account Identification:</u> 110-254-111831--55130	Chancellor _____ Student & Academic Affairs _____ Business Services _____ Human Resources _____ ITS _____ Res Dev & Com Relations _____ College President _____